

Message Text

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ACTION EUR-12

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FM AMEMBASSY PARIS

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INFO AMEMBASSY BONN

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USEEC

E.O. 11652: N/A

TAGS: ELAB, FR

SUBJECT: PUBLIC SECTOR WAGE NEGOTIATIONS

REF: PARIS 26678

1. SUMMARY. SETTLEMENTS HAVE NOW BEEN SIGNED IN GAS AND ELECTRICITY AS WELL IN THE PARIS TRANSPORT SYSTEM, AND CONTRACTS MAY BE POSSIBLE IN THE RAILWAYS AND MINES, BUT THE CIVIL SERVICE AND TEACHERS WAGE TALKS HAVE BROKEN OFF, AND POLITICS AS MUCH AS ANYTHING APPEARS TO HAVE BEEN THE CAUSE. FO'S LEADERSHIP BELIEVES THAT ENOUGH PROGRESS HAS BEEN MADE TO ENABLE IT TO AVOID BEING MANEUVERED INTO PARTICIPATING IN ANOTHER NATIONAL STRIKE, BUT EVEN THE CONTRACTS SIGNED CANNOT PREVENT THE CGT AND CFDT FROM STAGING WALKOUTS. END SUMMARY.

2. LAST WEEK, THE REFORMIST UNIONS FO, CFTC AND CGC SIGNED CONTRACTS FOR ELECTRICITY AND GAS WORKERS. THE LIMITED OFFICIAL USE

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TERMS WERE ROUGHLY COMPARABLE TO THOSE OBTAINED IN THE PARIS REGIONAL TRANSPORT AUTHORITY (RATP) CONTRACTS, AND BY OUR CALCULATIONS NEITHER REPRESENT ANY DEPARTURE FROM THE BARRE PLAN SOME OBSERVERS HAVE SEEN (SEE REF-TEL). WHAT THEY PROVIDE IS A LARGE LUMP SUM FOR WAGE INCREASES FOR THE UNIONS TO DIVIDE UP AMONGST THE WORKERS IN SUBSEQUENT NEGOTIATIONS WITH MANAGEMENT, WITH

THE LION'S SHARE INTENDED TO GO TO THE LOWEST PAID CATEGORIES. ALL OF THIS IS WITHIN THE BARRE PLAN GUIDELINES.

3. THESE SUCCESSES HAVE BEEN OVERSHADOWED BY THE SUBSEQUENT BREAKUP IN THE NEGOTIATIONS FOR THE TEACHERS AND CIVIL SERVANTS, AND PROSPECTS FOR AN EVENTUAL SETTLEMENT ARE NOT GOOD. ALTHOUGH AS A CONSEQUENCE THE TEACHERS UNION, FEN, IS ALREADY TALKING ABOUT THE NEED FOR A FOLLOW-UP ACTION TO THE MAY 24 NATIONAL STRIKE, FO AND THE OTHER REFORMIST UNIONS ARE SAYING THAT THE NEGOTIATIONS ARE BY NO MEANS TOTALLY DEADLOCKED, AND THAT AGREEMENT IS STILL POSSIBLE THERE, AND IN THE RAILWAYS AND THE COAL INDUSTRY AS WELL.

4. BEHIND THE SCENES, THE SITUATION AS FAR AS ANY POSSIBLE AGREEMENTS ARE CONCERNED, IS FAR LESS PROMISING. WE HAD BEEN TOLD, IN ADVANCE, BY BOTH FEN AND THE FO LEADERSHIP, THAT THERE WAS LITTLE LIKELIHOOD FOR ANY SETTLEMENTS IN THE PUBLIC SERVICE: FEN FEELING THAT THE GOVERNMENT IS INTRANSIGENT IN THE FACE OF ITS MEMBERSHIPS CONVICTION THAT THEIR REAL INCOMES ARE FALLING; AND FO NATIONAL LEADERSHIP BELIEVING THAT NEITHER THE POLITICALLY PARTISAN FEN, NOR ITS OWN CIVIL SERVICE AND POSTAL UNIONS LEADERSHIPS, WHICH HAVE PS SYMPATHIES, REALLY WANT AN AGREEMENT WITH THIS GOVERNMENT. WITHIN THAT LIMITED OFFICIAL USE

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CONTEXT, FO AND THE OTHER REFORMIST UNIONS HAVE BEEN ANXIOUS TO SECURE AS MANY OTHER PUBLIC SECTOR AGREEMENTS AS POSSIBLE, THEREBY PERMITTING THEM TO MAINTAIN THE POSTURE THAT NEGOTIATED SETTLEMENTS ARE POSSIBLE AND THAT THEIR PARTICIPATION IN ANOTHER NATIONAL STRIKE WOULD BE UNWARRANTED.

5. AT THIS POINT, THE FO LEADERSHIP IS CONFIDENT THAT THEY WILL BE ABLE TO SUCCESSFULLY MAINTAIN THAT POSTURE AND SIDE STEP THE CGT, CFDT AND FEN EFFORTS TO MANEUVER THEM INTO ANOTHER MAY 24. (THIS CONFIDENCE APPEARS TO HAVE AS MUCH TO DO WITH THE LEADERSHIPS ASSESSMENT OF THE DISARRAY ON THE POLITICAL LEFT, AND ITS IMPACT ON THE RANK AND FILE, AS MUCH AS ON THE AGREEMENTS SO FAR ACHIEVED.) WHETHER THEY ARE RIGHT OR NOT REMAINS TO BE SEEN; BUT IT MUST BE KEPT IN MIND THAT, UNDER THE FRENCH SYSTEM, THE CGT, CFDT AND FEN ARE STILL FREE TO CALL STRIKES, EVEN IN THE SECTORS WHERE THE OTHER UNIONS HAVE SIGNED (AND SO MADE LEGALLY VALID) CONTRACTS; AND THAT THEY INTEND TO DO SO.

HARTMAN

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